

STATE OF CALIFORNIA  
STATE WATER RESOURCES CONTROL BOARD

In the Matter of the Petition of )  
AMINOIL, INC. for Review of )  
Order No. 82-55 of the California )  
Regional Water Quality Control )  
Board, Central Coast Region. )  
Our File No. A-318(b). NPDES )  
Permit No. CA 0048861. )

Order No. WQ 83-5

BY THE BOARD:

On September 10, 1982, the California Regional Water Quality Control Board, Central Coast Region (Regional Board) adopted an NPDES permit regulating exploratory oil drilling operations to be conducted by the petitioner involving up to eight exploratory wells in the Pacific Ocean off Santa Barbara County.<sup>1/</sup> The permit prohibits the ocean discharge of waste drilling muds, drill cuttings and cement slurries. As a result, these wastes would have to be barged to shore and then transported to a waste disposal site.

On October 12, 1982, the petitioner appealed this decision to the State Board. The petitioner requested that its petition be held in abeyance until the petitions of Atlantic Richfield Company, Union Oil Company and Texaco, Inc. were resolved. In addition, in May 1983 the petitioner requested that we not proceed on the petition until August 1983. We have proceeded accordingly.

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1. The petitioner is seeking approval to drill only two of these wells at this time and the permit, as proposed by the staff of the Regional Board, limited the discharger to discharges from two wells.

## I. BACKGROUND

A major issue regarding offshore oil development is whether ocean disposal of drilling muds and cuttings should be allowed or whether such muds and cuttings should be disposed of onshore. In 1982 the Regional Board issued NPDES permits to Atlantic Richfield Company, Texaco, Inc. and Union Oil Company. The permits allow each discharger to develop two exploratory wells in the Pacific Ocean off Santa Barbara County and authorize the ocean disposal of drilling muds and cuttings provided certain conditions are met. The permits stated that receiving water monitoring programs would be established for selected test drilling sites. The Regional Board established an Oceanographic Technical Advisory Committee (OTAC) to design the studies and submit monitoring proposals to the Board for approval.<sup>2/</sup> In response to appeals from the three oil companies, the State Board issued Order No. WQ 83-2 on April 21, 1983. The State Board order concluded that a comprehensive receiving water monitoring program should be conducted at one soft-bottom and one hard-bottom site;<sup>3/</sup> the research oriented monitoring program being carried out at a third site should be completed, and less comprehensive receiving water monitoring programs should be conducted at the three other drilling sites.

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2. The OTAC is comprised of a representative of the oil industry, an employee of the California Department of Fish and Game and a professor from the University of California at Santa Barbara.
  3. Aminoil is one of the oil companies financially supporting the monitoring programs.

When the Regional Board adopted the permit at issue herein, it totally prohibited disposal in the ocean of the waste drilling muds, drill cuttings and cement slurries that would result from the exploratory oil drilling operation. The petitioner objects to this prohibition on the basis that there is insufficient evidence to treat Aminoil in a different manner than Atlantic Richfield, Union, and Texaco who were permitted to dispose of drilling muds, etc., in the ocean as long as certain conditions were met.

## II. CONTENTIONS AND FINDINGS

The essence of the petitioner's appeal is an argument that the circumstances and conditions of its proposed discharge to the ocean are not sufficiently different than those of the other three oil companies and it is thus inequitable to deny it the same right to discharge its drilling muds and cuttings to the ocean.

Our review of the record indicates that there apparently were two factors that led to the Regional Board's prohibition on ocean disposal of drilling muds, etc. The first factor was a concern that allowing further ocean disposal prior to a review of the results of the receiving water monitoring programs taking place at the Atlantic Richfield, Union and Texaco sites could result in a negative impact on the ocean due to the cumulative effects of so many discharges. As a general matter, adverse cumulative impacts are proper grounds to support a prohibition against discharges to a given area. However, the record before us does not indicate that discharges from the Aminoil operation, if properly conditioned, would result in adverse individual or

cumulative impacts on ocean waters. Such conditions include:

1. A limited total volume of discharge due to the exploratory nature of the wells;
2. A condition in the permit limiting the discharger to the ocean disposal of drilling muds and cuttings from a maximum of two wells;
3. Specific receiving water limitations in the permit that take into account any effects of cumulative discharges in the area;
4. A receiving water monitoring program comparable to the one which is to be conducted at three of the sites permitted for discharge by Atlantic Richfield, Union and Texaco.

The second factor which led to the Regional Board's prohibition was the proximity of the area of discharge to Naples Reef, a valuable natural resource in the Santa Barbara area. Once again, we appreciate the basis for the Regional Board's concern and certainly concur with its determination to take a conservative approach in attempting to protect Naples Reef from any possible negative impact. However, we note that the permit prohibits any discharge within 1,000 meters of the Reef. In addition, the petitioner states in its appeal that the exploratory wells will not in fact be drilled within 7,000 feet (over 2,100 meters) of the Naples Reef and has agreed to the inclusion of such a limitation in the permit. Given the dilution that would occur over such a distance, the Reef should not be adversely affected.<sup>4/</sup> Hence, a prohibition on ocean discharge of drilling

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4. We want to emphasize that this appeal is considering the effects of a limited discharge from two exploratory wells. We are not reviewing nor passing judgment on the propriety of a more extensive discharge such as would result from the drilling and operation of a number of production wells from a drilling platform.

muds and drill cuttings cannot be supported as being necessary to protect Naples Reef.

### III. CONCLUSIONS

We conclude that the discharger should be permitted to discharge drilling muds, cuttings and cement slurries to the ocean, as long as such discharge is in accord with the limitations of its NPDES permit which shall be revised to contain the same conditions as are contained in NPDES Permits Nos. CA 0048844, CA 0048852 and CA 0048801 which were issued to Atlantic Richfield, Texaco and Union Oil Company.

### IV. ORDER

IT IS ORDERED THAT, for the reasons discussed above:

1. Provision A.1 of NPDES Permit No. CA 0048861 is amended to read:

Discharge of waste materials to the ocean at the exploratory drilling site is prohibited until an acceptable reconnaissance survey report of the drilling site has been submitted to the Oceanographic Technical Advisory Committee and approved by the Regional Board. The objective of the reconnaissance survey is to provide information on habitats surrounding the well so that appropriate provisions can be required to protect those habitats.

2. Provision A.5 of the above-cited permit is amended to read:

Discharge within 2,100 meters of Naples Reef is prohibited.

3. Provision D.6 is added to the above-cited permit to read:

Upon receipt of the Reconnaissance Survey Report, a receiving water monitoring program

will be established for each drilling site in accordance with Order No. WQ 83-2 of the State Water Resources Control Board.

4. Provision D.7 is added to the above-cited permit

to read:

This order applies only to waste discharges from two specified drilling sites. Approval of additional drilling sites may be considered by the Board at a future time.

5. The monitoring and reporting program for the above-cited permit is amended to delete the sections entitled "Receiving Water Monitoring" and "Reporting".<sup>5/</sup> Upon receipt of the applicable Reconnaissance Survey Report, the Executive Officer of the Regional Board shall approve a receiving water monitoring program and reporting schedule in accordance with this Order and the permit. It is our understanding that the extensive monitoring program for a soft-bottom site has not begun yet. The Executive Officer, in coordination with the

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5. The provisions of the section entitled "Reporting" which states "Results of toxicity bioassays shall be reported to the Executive Officer within 15 days after sample was collected" is hereby incorporated in the section of the Monitoring and Reporting Program entitled "Discharge Monitoring-Drilling Wastes."

Oceanographic Technical Advisory Committee, should determine if Aminoil's site is right for this study and require it, if appropriate. Otherwise, a site-specific monitoring program which implements the guidance contained in State Board Order No. WQ 83-2 should be established.

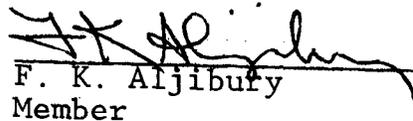
Dated: August 18, 1983



Carole A. Onorato  
Chairwoman



Warren D. Noteware  
Vice Chairman



F. K. Aljibufy  
Member



Kenneth W. Willis  
Member

